



# ENERGY ASSURANCE DAILY

Wednesday Evening, May 07, 2008

## ***Electricity***

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### **PJM Regional Power Grid Ready for Hot Weather Power Demand**

Power supplies should be adequate this summer in the PJM Interconnection, the nation's largest regional power grid, which manages the power supply for all or parts of 13 states and the District of Columbia. Peak electricity use in PJM is likely to be higher than last summer's level but lower than the all-time record demand. The projected weather-adjusted highest demand for electricity in summer 2008 is 137,950 megawatts (MW).

<http://sev.prnewswire.com/oil-energy/20080505/NEM07105052008-1.html>

### **Entergy's 841 MW Arkansas Nuclear One Unit 1 Returns to Full Output May 7**

The plant returned to full power after reducing output on May 2 at the request of the dispatcher.

Bloomberg News, 10:48 May 7, 2008

### **Calpine's 593 MW Metcalf Gas-fired Unit in California Returns to Service May 6**

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 318 MW on May 6.

<http://www.caiso.com/unitstatus/data/unitstatus200805061515.html>

### **Kern River Cogeneration's 309 MW Kern River Gas-fired Unit in California Returns to Service May 6**

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 156 MW on May 6.

<http://www.caiso.com/unitstatus/data/unitstatus200805061515.html>

## ***Petroleum***

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### **Update: Tesoro to Continue Cutting Back Petroleum Products Output Due to Low Refining Margins**

Tesoro Corp said that it will continue to reduce production of petroleum products at its seven refineries due to a larger than expected first-quarter loss caused by low refining margins amid record oil prices. The company's seven refineries, located in the western United States, are expected to run between 25,000 – 45,000 b/d below their combined output of 660,000 b/d during the second quarter.

<https://www.piersystem.com/go/doc/1406/201478/>

Reuters, 12:24 May 7, 2008

### **Update: ExxonMobil Lifts Force Majeure on Nigerian Oil Exports May 7**

According to media sources, ExxonMobil has lifted its force majeure on oil exports from Nigeria after entirely restoring output following an eight-day workers' strike. The strike which began in late April shut virtually all of the Exxon's 800,000 b/d oil production in the country.

<http://allafrica.com/stories/200805070163.html>

### **Canada's NEB Saw Jump in Applications for New Oil Pipeline Capacity in 2007**

Surging crude oil prices sparked a jump in applications for oil pipelines in 2007 said Canada's national regulator in its annual report. Last year the National Energy Board (NEB) considered applications for more than 885,000 b/d of new oil pipeline capacity, up from applications for just over 40,000 b/d of new oil pipeline capacity in 2006.

<http://www.neb.gc.ca/clf-nsi/rthnb/nwsrsls/2008/nwsrsls19-eng.html>

## **MEND Offers to Halt Pipeline Attacks in Nigeria if Government Allows Jimmy Carter to Mediate Conflict**

<http://www.timesonline.co.uk/tol/news/world/africa/article3882903.ece>

## **Natural Gas**

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### **Millennium Pipeline Announces November In-Service Date**

More than a decade after it was first announced and eight years after it was initially scheduled to open, Millennium Pipeline Co. LLC's 182-mile long, 30-inch diameter pipeline across New York's Southern Tier and the lower Hudson Valley will go into operation this November, according to a company statement May 6.

<http://intelligencepress.com/>

## **Other News**

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### **Meat, Corn Groups Face Off on Renewable Fuel Standard before Congress**

On May 6, the American Meat Institute (AMI) and the National Corn Growers Association (NCGA) testified before the House Energy and Commerce Subcommittee on Energy and Air Quality, offering opposing views on the Renewable Fuel Standard (RFS), which mandates 15 billion gallons of ethanol use by 2015. J. Patrick Boyle, AMI President and CEO, noted that high corn prices have been particularly hard on U.S. livestock producers and he repeated previous claims that that increased production of corn-based ethanol is responsible for a recent increase in food price inflation. NCGA CEO Rick Tolman, in contrast, noted the positive impact the RFS has had on the overall rural economy and he rejected Boyle's argument that increased corn costs due to ethanol production are the primary driver of higher food prices.

Hearing Webcast: [http://energycommerce.house.gov/cmte\\_mtgs/110-eaq-hrg.050608.RFS.shtml](http://energycommerce.house.gov/cmte_mtgs/110-eaq-hrg.050608.RFS.shtml)

<http://www.brownfieldnetwork.com/gestalt/go.cfm?objectid=C002FAC3-D53B-BD3A-F6656F8BB5D21F4C>

### **Osage Bio Energy Receives \$300m to Build 4 Barley-Based Ethanol Production Facilities in the Southeast U.S.**

<http://www.platts.com/Oil/News/6870394.xml?p=Oil/News&sub=Oil>

### **Local Commission Reviewing Land Development Plans for Sunnyside Ethanol LLC's Proposed 80 Million Gallon/Year Ethanol Plant in Pennsylvania**

<http://www.theprogressnews.com/default.asp?read=12336>

### **DHS Extends Transportation Worker Identification Credential (TWIC) Compliance Date**

The U.S Department of Homeland Security (DHS) on Friday announced that the final compliance date for the Transportation Worker Identification Credential (TWIC) program will be April 15, 2009, which reflects a realignment of the Sept. 25, 2008 compliance date set in the final rule. The seven month extension is a direct result of collaboration with port officials and industry, and realigns the enrollment period with the original intent of the TWIC final rule.

[http://www.dhs.gov/xnews/releases/pr\\_1209745179774.shtm](http://www.dhs.gov/xnews/releases/pr_1209745179774.shtm)

## Energy Prices

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U.S. Oil and Gas Prices January 31, 2008			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	123.57	113.96	61.48
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	11.08	10.94	7.69

Source: Reuters

## Energy Notes

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**Power Line Problem Briefly Cuts Power to 20,000 LCEC Customers in Florida May 6**

<http://www.nbc-2.com/articles/readarticle.asp?articleid=19110&z=3>

**API Report: Pending Climate Change Bill Could Cut Natural Gas Supply, Outsource Refining**

<http://www.api.org/Newsroom/analysis-climate-leg.cfm>

**Boardwalk Receives FERC Certificates for Gulf Crossing and Fayetteville, Greenville Laterals in Texas and Oklahoma**

<http://phx.corporate-ir.net/preview/phoenix.zhtml?c=193443&p=irol-newsArticle&ID=1139939>

**Sempra Energy's 1 Bcf/d Costa Azul LNG Import Terminal in North Baja California, Mexico May Sit Mostly Idle After it Comes Online This Spring**

<http://intelligencepress.com/>

**Devon Energy Hits 1 Bcfe/d in Barnett Shale in Texas, 21 Months Ahead of Schedule**

<http://intelligencepress.com/>

**Areva Selects Idaho as Site to Build Uranium Enrichment Facility**

[http://www.areva.com/servlet/cp\\_06\\_05\\_2008-c-PressRelease-cid-1209581724309-en.html](http://www.areva.com/servlet/cp_06_05_2008-c-PressRelease-cid-1209581724309-en.html)

**DOE Awards \$126.6 Million for Two More Large-Scale Carbon Sequestration Projects**

<http://www.energy.gov/news/6231.htm>

**New Workers Strike Set to Disrupt Operations at France's Biggest Oil Ports May 9**

<http://www.platts.com/Oil/News/8715235.xml?p=Oil/News&sub=Oil>

**Baku-Tbilisi-Ceyhan (BTC) Pipeline Set to Ship 800,000 b/d from Caspian in May**

<http://www.energyintel.com/>

## Links

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***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

## **ENERGY ASSURANCE DAILY**

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*Energy Assurance Daily* provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

<http://www.oe.netl.doe.gov/index.aspx>.

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